



CITY OF EVERETT
2024 Budget Address

Good evening.

Before diving into my proposed budget, I'd like to thank our City of Everett staff members – all 1,200+ across our twenty city departments. You are the devoted public servants that show up day in and day out to perform all the essential duties that make things happen here. This budget continues to support and invest in your service. Please know your efforts and contributions are seen and valued.

It's no secret Everett has been facing significant financial issues for many years due to the 1% cap on property tax growth. Initiative 747, which passed in 2001, severely limits our ability to offer the level of services needed by a growing city like ours.

When I took office in 2018, the initial gap we had to close was **\$13 million dollars** - and it was projected to continue growing. I remember working on my budget at home and explaining the process to my daughter. She was nine years old at the time and initially said 'just give it all to the animal shelter.' Then I told her - what if she only had \$100 and she had to pay to take care of the animals, our police officers, our firefighters, our park rangers, our roads crews, our librarians and everything else. Then she began to understand that **all** the services we provide are essential and that deciding how much to invest in each area is a big challenge.

Over the years, working with this council, we've had many tough decisions to make. We found places to make reductions and have worked to close this gap.

This balancing act is challenging, especially with the growth we are experiencing.

In the next 20 years, our population will increase by about **66,000 people**. To put this in perspective: that is enough people to fill Funko Field to capacity **nearly 18 times**.



Considering we are currently sitting at about 115,000 residents, it's truly an unprecedented amount of growth.

That means we need to ensure that our city can continue providing essential services like transportation and infrastructure, human services, public safety and quality of life amenities that make our city strong for our current residents. We also need to be making the necessary investments and plans to prepare us for this growth and the future our community deserves.

Today, I'm proud to be presenting a balanced budget for 2024. This budget seeks to maintain our current service levels and make some small, but essential, strategic investments in areas of greatest community need.

We were able to close this year's gap with the support of grant funding, one-time, outside funding, revenue from current boosts in our economy and some unsustainable budget balancing actions. These actions are necessary until we can address our revenue challenges and our structural deficit for the long-term.

In the coming months, I intend to work with our council to deeply consider solutions that would help us get on a more sustainable path. We started this work **before** the pandemic. Now, it's time to dive back into it and work together with our residents and community to find a path forward.

Amidst all these financial discussions, it can be easy to lose sight of why we do all of this. We have something really special here in Everett. I know our staff members and community partners work incredibly hard to make good things happen throughout our city. And there are so many good things to highlight!

This year has by far been our **biggest** for special events. Our fantastic event offerings have been key to developing our city's identity as a tourist destination and generating significant spending for our local businesses.

I'm proud to see new events, like the downtown Everett Pride festival, and returning events, like our 3on3 Basketball Tournament and the Snohomish Women's Run. And it's been great to welcome and re-welcome Schack's Fresh Paint and Artist Garage Sale as well as the incredible, volunteer-led 4th of July



Parade to our downtown. These events bring visitors, revenue, arts, sports and fun into the community and we want those to continue!

My proposed budget supports continued investment to attract new events and support the growth of existing ones; this includes our premiere, City-led events: Sorticulture, the July Fourth Festival and Wintertide.

Another important component of our local quality of life is our beautiful parks system. The Parks department, led by director Bob Leonard, manages over **920 acres of parks and open spaces** and **27 miles of trails and paths**.

One point of pride for our team this year is the completion of the Silver Lake Loop trail. Our City considered this decades ago, but it just didn't pencil out at the time. However, just before the pandemic, I was invited to participate in the Mayor's Institute of Design and brought this idea forward. Experts from around the country provided us guidance on how to make this happen in an affordable way. And now here we are – with our finally completed, ADA-compliant trail, including beautiful new signage highlighting the history of the Silver Lake community in South Everett.

Over the past several months, our team has completed several new amenities that I am really excited about like our all-ability accessible playgrounds, our first fitness trail, and new dog parks. Many of these amenities have been supported by grant funding and local partnerships, like the generous funding from Snohomish County Councilmember Megan Dunn for two recent projects! Bringing in outside sources to complement our capital investments helps our park system continue to grow as we do.

Addressing our park deficit areas also remains a focus for us. Currently, we are in the preliminary stages of planning a brand-new stormwater park. I know Councilmember Vogeli will be excited about this; it will be in the Holly neighborhood, which is within her district!

This park will increase access to recreation spaces for the community as well as play an important role in our stormwater management. I'm looking forward to having more to share in the coming months.



I'd like to acknowledge Council President Stonecipher as a long-time champion of our efforts to address park deficit areas. Equitable access to parks and green spaces is so important to the health of our city and our residents. And you've been fighting for that for a long time.

This budget also includes significant improvements to four of our city parks next year, including new playgrounds for both Edgewater and Kiwanis Parks.

Also, with the growth we are experiencing, and what's expected in the future, it's more important than ever for us to invest in our urban tree canopy. We received word recently that our collaborative grant application with Snohomish Conversation District was approved and the resulting \$2.4 million grant will fund planting thousands of trees throughout Everett, Marysville and Tulalip!

While in Washington D.C. earlier in the year, I received some tips from the U.S. Forest Service in a chance meeting that helped make our application even more competitive. With such limited resources, we have to make the most out of every opportunity.

Partnerships and grants have enabled us to continue investing in our parks without major impacts to our general fund. My proposed budget will allow us to continue making progress on important, quality of life projects while also ensuring funding to maintain our service offerings.

Few things are as truly essential as infrastructure. Director Ryan Sass and the Public Works team provide some of our most important services.

The City of Everett provides water to **nearly 650,000 people throughout Snohomish County** and wastewater service to **over 165,000 people**. This is why water system maintenance remains such a high priority. The critical reservoir replacement we recently completed will improve our water supply resiliency for the next **century**.

We also maintain **290 miles of roadway, 750 miles of sidewalks** and **270 alleys**. This is why you often see our streets crews working throughout the city, esp. during the summer. We have a lot of ground to cover!



We are excited to start construction on the Edgewater Bridge next spring. The replacement bridge will better serve the needs of **everyone** as they walk, roll or drive down Mukilteo Boulevard.

We're also working on a new bridge project, which will connect the Everett Point Industrial Center on the riverfront to Everett Avenue. Activating this site by improving access will open the doors to new business possibilities, positive growth and many potential uses.

These important infrastructure projects take multiple years of planning, identifying and securing funding, and work. This budget includes necessary funds for critical projects, like the Edgewater and EPIC bridges, that will make our city **more resilient, safer, future ready and keep us moving.**

Everett also continues to face some serious challenges. We are seeing increases in drug addiction – particularly fentanyl - and untreated mental health conditions. We're also seeing related increases in property and violent crimes. Outside funding, like American Rescue Plan Act dollars, have allowed us to make important investments in our community to address some these challenges, and begin to help stabilize individuals in need.

Earlier this year, ARPA funds allowed us to expand our embedded social worker program – adding four additional mental health providers to our Community Support team. These new staff members work alongside our Fire and Library departments, building relationships and helping connect people to services.

Just in the month of August, our seven-person social worker team interacted with nearly 300 people!

We've also dedicated significant funding to support building capacity for existing programs and providers. Our partners are adding more Pallet Shelters, including the development of two new locations to serve some of our most vulnerable residents. Funds also went toward Housing Hope's childcare job training program, Everett Community College's Early Learning Center and Compass Health's development of their new campus.



In partnership with Snohomish County, we are continuing our work to address our need for service providers with expertise, including finding ways to support new and existing providers.

Building off this work, we are in the process of designing a full alternative response program. This would give us a new option for addressing calls for service involving mental health, homelessness or substance abuse.

Right now, the Senate Budget has \$4.5 million proposed to support this work thanks to Senator Murray. This is not yet reflected in my proposed budget, as we are waiting for Congress' budget to pass, but the Senator did call to share that she's included this request and that this is one of her top priorities.

Human needs remains one of our top priorities as well and something we **need** to continue investing in- and I know our Council agrees.

In my budget, I'm proposing putting **\$1.1 million of COVID-recovery funding** back out into the community to ensure these vital programs remain fully funded this year. These funds will go towards increasing our human needs grant funding, which has provided support to many local non-profits like Domestic Violence Services, Red Cross, Volunteers of America and more. This will also help protect our shelter options, social services, our senior center, free preschool, affordable housing and more.

As we advocate for and fund social services, this budget also fully funds our police department and prioritizes public safety - because **both** play an essential role in addressing these serious challenges our community faces.

Every day, I hear from individuals sharing their safety concerns - for themselves, their children and our community. Our residents, business owners and visitors deserve to feel safe in our city but I know many do not.

One thing weighing heavy on my heart, and I'm sure all of ours, is the recent death of a fifteen-year-old, who was shot and killed just 10 days ago.

This senseless violence is devastating. Any act of violence erodes our sense of safety.



Unfortunately, this tragedy is part of a larger wave of shooting and firearm-related incidents. We are working around the clock to address this locally under the leadership of Chief Templeman and his deputy chiefs, John DeRousse and Jeraud Irving. I'd also like to call out our Anti-Crime Team and our Violent Crime Unit for their dedication to getting dangerous individuals off our streets.

Last year, we shared the results of the Matrix study, which identified a clear need for more officers. EPD is, and has been, understaffed.

With this in mind, I'm including a total of nine new sworn positions in my proposed budget:

- Two are fully funded for two years by the new Skagit Police Academy to backfill as two of our own take on key roles at the school, which will also help us recruit and train officers more quickly.
- Seven are through the U.S. Department of Justice COPS grant that I advocated for and we received in 2020. This is the last year we can fully utilize the grant funds available.

These added positions will move us closer to where our staffing levels **should be**.

I'm also proposing the addition of a wellness coordinator for our police department.

PTSD remains a major concern for our public safety workforce. On a daily basis, our officers put themselves in harm's way to help keep our community safe. They also see and experience some of the worst parts of humanity. And our police department has experienced some particularly difficult losses over the years as well.

In order for our officers to be there for us, we need to be there for them. We want to ensure our officers have access to the resources they need.

This has also been a busy year for our fire department, responding to numerous serious fires, countless medical emergencies and providing mutual aid for other jurisdictions. Under the leadership of Chief Demarco and his assistant fire chiefs, Mike Calvert, Kurtis Brown and Paul Gagnon, our fire department responded to



over **13,000 calls** for service in the **first half of this year**. And above and beyond this, they have been out in the community building relationships, connecting with our youth and sharing important safety information to keep our residents safe.

It's important to me that these first responders have the resources they need to continue being there for our community. Like in police, we're feeling the impacts of waves of retirements as well as the challenges of recruitment.

To address this, we tested out more proactive hiring in 2023. Typically, we wait until a retirement has occurred and we have a new vacancy before hiring. This year, we brought on a few recruits well ahead of anticipated departures. This gave us the chance to put our new team members through their seven months of training while minimizing the disruption to our staffing levels.

When we implemented this proactive hiring practice, we saw a noticeable reduction in overtime expenses as compared to the previous year. And I'm including funding in my proposed budget to allow us to continue this in 2024.

We will also be working collaboratively with our Human Resources department and IAFF to aggressively seek alternative recruitment strategies to further these efforts. Though we are working with extremely limited resources, I believe these investments are crucial; to ensure we have the trained teams available to our community.

As I've shared the challenges we are facing with our budget are serious.

My proposed budget for this year makes the most of the opportunities before us, like federal grants and other outside funds. It ensures our departments have the resources to maintain our essential service levels as we continue to grow. And it allows us to make a few targeted investments in areas of highest community need.

However, none of this is possible without the unusually significant amounts of outside funding, including the COVID recovery funds and the COPS grant from the federal government, and some difficult choices like delaying capital investments.



We need solutions to our revenue issues that will get Everett on steadier financial footing and prepare us for the future our residents deserve. I look forward to working with our council on this in the coming few months.

As I wrap up, I'd like to take a moment to especially thank Council President Stonecipher and Council Vice Council President Tuohy. You have again been an exceptional team to work with this year and I appreciate your partnership, leadership and vision.

And I truly value each of our councilmembers for your contributions. Your passion for serving our community shines through and I especially appreciate your engagement in important regional work alongside me such as Sound Transit, Puget Sound Regional Council and Snohomish County Tomorrow as we together prepare for our city and region's future.

I'd also like to give a very special thank you to my right hand, Lori Cummings. Lori – our team leans on you and your calm leadership in so many ways, as do I. You are a very important part of our team and have been vital in this budget process!

And of course, thank you to Susy Haugen, our finance director and Heide Brilliantes, our budget manager. You are amazing and we are so fortunate to have you both leading this work. I do need to note that this was Heide's first year doing the budget; she dove in and has simply done a fantastic job.

I'm very proud of our staff and all the different ways that we serve and engage with our residents. This incredible team of public servants do the work our residents rely on and they make Everett such a great place to live, work and play.

Thank you all for your continued partnership. I look forward to the work that this 2024 budget supports.

